

Investment Allowance FAQs

Experien is a subsidiary of Investec Bank

When can I claim the Tax Break?

Eligible assets acquired between 13 December 2008 and 31 December 2009 are eligible for the Tax Break.

	Small business (annual turnover <\$2m)	Other business (annual turnover over \$2m)	
Acquisition Period	13 December 2008 - 31 December 2009	13 December 2008 - 30 June 2009	1 July 2009 - 31 December 2009
Rate of Deduction	50%	30%	10%
Installation Deadline	31 December 2010	30 June 2010	31 December 2010

If you acquire or start to hold an eligible asset and miss the relevant installation deadline (as illustrated above), you will miss out on the Tax Break.

Are there any minimum spend requirements in order to qualify for the Tax Break?

Small business entities only need to spend a minimum of \$1,000 (excluding GST) per asset in order to qualify for the Tax Break. All other businesses will need to meet a minimum expenditure threshold of \$10,000 (excluding GST) per asset.

Business Turnover	Minimum Expenditure (per asset)
Small business (\$2m or less)	\$1,000 (excluding GST)
Other business (over \$2m)	\$10,000 (excluding GST)



To speak with an Investec Experien Finance Consultant, contact
1300 131 141 Australia Wide
www.investec.com.au/professionalfinance

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Investec Experien has always informed me of the Tax Break associated with leasing. Can I still lease equipment and take the Tax Break?

At this stage, how the Tax Breaks can be passed on to the lessee are not clear, and may be subject to each lessor's ability to claim the Tax Break. The financial industry is currently lobbying the Government to allow a simple mechanism to pass the Tax Break directly to the lessee.

What items qualify for the Tax Break?

New tangible depreciating assets or new expenditure incurred to improve existing depreciating assets qualify for the Tax Break. Examples include medical equipment and cars.

What types of finance options are available to me under the Tax Break?

All forms of finance are available however chattel or asset purchase should enable you to claim the Tax Break directly.

Is it OK to order multiple assets from a supplier and claim the Tax Break?

All businesses can aggregate their investment in batches of assets that are identical, or substantially identical, and in sets of assets for the purposes of meeting the relevant threshold (\$1,000 or \$10,000).

If I need to do a fitout component in order to install some new equipment, does that fitout qualify for the Tax Break?

It will depend on how it is ultimately financed. On lease, the assets belong to Investec Experien so it is unclear at this stage how the Tax Break will be passed on.



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Investec Experien Pty Ltd ABN 94 110 704 464 (Investec Experien), Investec Bank (Australia) Limited ABN 55 071 292 594 (Investec Bank). As at 22 May 2009, the bill to implement the Tax Break has been passed by Parliament and is awaiting Royal Assent. The bill and explanatory memorandum are available from the Treasury website (www.treasury.gov.au).

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